

January 14, 2010

# GRANT ADMINISTRATION GUIDE

for Grants Awarded through Proposition 84

**Statewide Park Program  
and  
Nature Education Facilities Program**



**State of California  
Department of Parks and Recreation  
Office of Grants and Local Services (OGALS)**

*"Creating Community through People, Parks, and Programs"*

**Send Documents and Correspondence to:**

**Street Address for Overnight Mail:**

**Calif. Dept. of Parks and Recreation  
Office of Grants and Local Services  
1416 Ninth Street, Room 918  
Sacramento, CA 95814**

**Mailing Address:**

**Calif. Dept. of Parks and Recreation  
Office of Grants and Local Services  
P.O. Box 942896  
Sacramento, CA 94296-0001**

**Phone: (916) 653-7423**

**Website: [www.parks.ca.gov/grants](http://www.parks.ca.gov/grants)**



## **Department Mission**

The mission of the California Department of Parks and Recreation is to provide for the health, inspiration, and education of the people of California by helping to preserve the state's extraordinary biological diversity, protecting its most valued natural and cultural resources, and creating opportunities for high-quality outdoor recreation.

## **The Office of Grants and Local Services (OGALS) Mission Statement**

The mission of the Office of Grants and Local Services is to address California's diverse recreational, cultural and historical resource needs by developing grant programs, administering funds, offering technical assistance, building partnerships and providing leadership through quality customer service.

## **OGALS VISION GOALS**

- ❖ Proactive in meeting California's park and recreation needs through innovative grant programs and customer service.
- ❖ Committed to providing quality customer service in every interaction and transaction as honest, knowledgeable, and experienced grant administrators.
- ❖ Sensitive to local concerns while mindful of prevailing laws, rules and regulations.
- ❖ Responsive to the needs of applicants, grantees, nonprofit organizations, local governments, and legislative members, who are our partners working to improve the quality of life for all Californians by creating new parks and recreation opportunities.

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The meanings of words and terms shown in SMALL CAPS throughout this guide are defined starting on page 46.

## Process for Grantees

Congratulations on your GRANT award! Use this guide for the administration of your GRANT awarded through the Statewide Park Program or Nature Education Facilities Program. This guide explains the requirements and provides forms for the administration of your GRANT.

We hope you will find this guide user-friendly. **The meanings of words and terms shown in SMALL CAPS are in the Definitions Section starting on page 46.**

Please contact OGALS with any questions or comments. Contact information for OGALS is given on the front cover of this guide, and a list of PROJECT OFFICERS is available at [www.parks.ca.gov/grants](http://www.parks.ca.gov/grants).

Steps 1 through 6 below summarize the process and rules for GRANTEES.

### **Start of Grant Performance Period:**

1. Your GRANT PERFORMANCE PERIOD will be shown on your CONTRACT.
  - Costs incurred before or after the GRANT PERFORMANCE PERIOD are not eligible for reimbursement.
  - ELIGIBLE COSTS incurred after the start of the GRANT PERFORMANCE PERIOD can be reimbursed once a CONTRACT is ENCUMBERED.

### **CONTRACTS**    page 3

2. APPLICANTS become GRANTEES when their CONTRACT is ENCUMBERED.
  - CEQA PENDING CONTRACTS will be sent for PROJECTS that are not yet CEQA compliant. The funding amount of CEQA PENDING CONTRACTS will be limited to APPLICANTS' estimated costs for CEQA compliance, and cannot exceed ten percent of the GRANT AMOUNT. If the APPLICANT does not complete CEQA compliance within twelve months from GRANT award announcement, DPR may rescind the GRANT award.
  - For PROJECTS involving ACQUISITION, CONTRACTS will not be signed by DPR until APPLICANTS provide a letter or other document from the escrow company stating that the escrow is open or will be open within sixty days. If the APPLICANT does not open escrow within twelve months from GRANT award announcement, DPR may rescind the GRANT award.

### **Payments**    page 33

3. GRANTEES may request payments after CONTRACTS are encumbered. GRANT funds may only be expended on ELIGIBLE COSTS incurred during the GRANT PERFORMANCE PERIOD.
  - Special Requirements:  
Status reports, a Memorandum of Unrecorded Grant Agreement, labor compliance program certification, and a fidelity bond for non profit organizations are special requirements affecting payment requests. The Special Requirements section starting on page 15 explains how and when each requirement must be met.

4. GRANTEES request final payment after PROJECT COMPLETION by sending a GRANT COMPLETION PACKET to OGALS. OGALS conducts a final site inspection for DEVELOPMENT projects before final payment is approved.

### **End of Grant Performance Period**

5. GRANT funds liquidate at the end of the GRANT PERFORMANCE PERIOD. GRANT COMPLETION PACKETS must be sent to OGALS no later than three months before the end of the GRANT PERFORMANCE PERIOD.
  - OGALS recommends that GRANTEES send GRANT COMPLETION PACKETS to OGALS at least six months prior to the end of the GRANT PERFORMANCE PERIOD. Six months provides adequate time for OGALS to review GRANT COMPLETION PACKETS, request and receive revisions to GRANT COMPLETION PACKETS if necessary, conduct final site inspections, and process final payments through the State Controller's Office.
  - OGALS cannot guarantee that the State Controller's Office can process final payments by the end of the GRANT PERFORMANCE PERIOD, if GRANT COMPLETION PACKETS are received less than three months before the end of the GRANT PERFORMANCE PERIOD.
  - If the State Controller's Office is unable to process payments before the end of the GRANT PERFORMANCE PERIOD, unpaid balances of GRANT funds will revert to the Legislature.

### **Accounting and Audit** page 44

6. DPR's Audits Office may conduct an audit. The GRANTEE is required to keep all PROJECT records for five years following the final GRANT payment.

# GRANT CONTRACTS

The following section contains a sample GRANT CONTRACT, a sample CEQA PENDING CONTRACT, and their CONTRACT provisions.

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

## Grant Contract

GRANTEE \_\_\_\_\_

GRANT PERFORMANCE PERIOD is from \_\_\_\_\_ through \_\_\_\_\_

CONTRACT PERFORMANCE PERIOD is from \_\_\_\_\_ through \_\_\_\_\_

PROJECT TITLE \_\_\_\_\_ APPLICATION NUMBER \_\_\_\_\_

The GRANTEE agrees to the terms and conditions of this contract, hereinafter referred to as AGREEMENT, and the State of California, acting through its Director of Parks and Recreation, pursuant to the State of California, agrees to fund the total State grant amount indicated below. The GRANTEE agrees to complete the GRANT SCOPE as defined in the GRANT SCOPE /Cost Estimate Form of the APPLICATION filed with the State of California referenced by the application number indicated above.

Total State grant amount not to exceed \$ \_\_\_\_\_

The General and Special Provisions attached are made a part of and incorporated into the Contract.

STATE OF CALIFORNIA  
DEPARTMENT OF PARKS AND RECREATION

\_\_\_\_\_  
Grantee

By \_\_\_\_\_

By \_\_\_\_\_  
Typed or printed name of Authorized Representative

By \_\_\_\_\_  
Signature of Authorized Representative

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

### CERTIFICATION OF FUNDING (FOR STATE USE ONLY)

AMOUNT OF ESTIMATE \$		CONTRACT NUMBER	FUND		
ADJ. INCREASING ENCUMBRANCE \$		APPROPRIATION			
ADJ. DECREASING ENCUMBRANCE \$		ITEM CALSTARS VENDOR NUMBER			
UNENCUMBERED BALANCE \$		LINE ITEM ALLOTMENT	CHAPTER	STATUTE	FISCAL YEAR
T.B.A. NO.	B.R. NO.	INDEX	PCA		OBJ. EXPEND
I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance.					
SIGNATURE OF ACCOUNTING OFFICER			DATE		

## I. RECITALS

1. This AGREEMENT is entered into between the California Department of Parks and Recreation (hereinafter referred to as "GRANTOR," or "STATE") and \_\_\_\_\_ (hereinafter referred to as "GRANTEE").
2. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 authorizes STATE to award grants to eligible entities for the purpose of Division 43 of the Public Resources Code.
3. Pursuant to the Statewide Park Development and Community Revitalization Act of 2008, STATE is authorized to oversee and manage grants to eligible entities for the purposes stated within its provisions. Funding for this three hundred sixty eight million (\$368 million) grant program was made available through the Sustainable Communities and Climate Change Reduction chapter in Proposition 84. (Public Resources Code Division 43, Chapter 9, §75065(b)).
4. Pursuant to the Proposition 84 2006 Bond Act, STATE is authorized to oversee and manage grants to eligible entities for the purposes stated within its provisions. Funding for the ninety three million (\$93 million) Nature Education Facilities Program grant program was made available through the Parks and Nature Education Facilities chapter in Proposition 84. (Public Resources Code Division 43, Chap. 8, §75063 (b)).
5. Sustainable Communities and Climate Change Reduction chapter in Proposition 84. (Public Resources Code Division 43, Chapter 9, §75065(b)., STATE is authorized to oversee and manage grants to eligible entities for the purposes stated within its provisions. Funding for this three hundred sixty eight million (\$368 million) grant program was made available through the Sustainable Communities and Climate Change Reduction chapter in Proposition 84. (Public Resources Code Division 43, Chapter 9, §75065(b)).
6. The STATE hereby grants to GRANTEE a sum (hereinafter referred to as "GRANT MONIES") not to exceed \_\_\_\_\_ Dollars (\$\_\_\_\_\_), subject to the terms and conditions of this AGREEMENT, the GUIDES, any legislation applicable to the ACT, and the APPLICATION.
7. In consideration thereof GRANTEE agrees to abide by the terms and conditions of this AGREEMENT as well as the provisions of the ACT. GRANTEE acknowledges that the GRANT MONIES are not a gift or a donation.
8. In addition to the terms and conditions of this AGREEMENT, the parties agree that the terms and conditions contained in the documents set forth below are hereby incorporated into and made part of this AGREEMENT.
  - a. The GRANT ADMINISTRATION GUIDE;
  - b. The APPLICATION GUIDE;
  - c. The submitted APPLICATION.

## **II. GENERAL PROVISIONS**

### **A. Definitions**

As used in this AGREEMENT, the following words shall have the following meanings:

1. The term "ACT" means the statutory basis for these grant programs.
2. The term "APPLICATION" means the individual project application packet for a grant pursuant to the enabling legislation and/or grant program process guide requirements.
3. The term "ACQUISITION" means to obtain fee title of real property or a permanent easement which provides the recipient permanent rights to use the property for the purposes of the project. Leases or rentals do not constitute ACQUISITION.
4. The term "CONTRACT PERFORMANCE PERIOD" means the period of time described in Section 1 of this AGREEMENT.
5. The term "COMPETITIVE GRANT PROGRAM" means the Statewide Park Program or Nature Education Facilities Program.
6. The term "DEVELOPMENT" means capital improvements to real property by means of construction of permanent or fixed features of the property.
7. The term "GRANT PERFORMANCE PERIOD" means the period of time described in the contract face sheet during which eligible costs can be charged to the grant and which begins on the date of appropriation and ends on the fund liquidation date.
8. The term "GRANT SCOPE" means the items listed in the GRANT SCOPE/Cost Estimate Form found in the APPLICATION.
9. The term "GUIDES" means the documents identified as the "Application Guide for the Statewide Park Development and Community Revitalization Act of 2008", or the "Application Guide for the Nature Education Facilities Program" and the "Grant Administration Guide". The GUIDES provide the procedures and policies controlling the administration of the grant.
10. The term "PROJECT TERMINATION" refers to the non-completion of a GRANT SCOPE.

### **B. Project Execution**

1. Subject to the availability of GRANT MONIES in the ACT, the STATE hereby grants to the GRANTEE a sum of money not to exceed the amount stated in Section I of this AGREEMENT, in consideration of, and on condition that, the sum be expended in carrying out the purposes set forth in the GRANT SCOPE, and under the terms and conditions set forth in this AGREEMENT.

The GRANTEE shall assume the obligation to furnish any additional funds that may be necessary to complete the GRANT SCOPE.

2. After STATE has approved the APPLICATION, all changes and alterations to the GRANT SCOPE must be approved in writing by the STATE. GRANTEE'S failure to comply with this provision may be construed as a breach of the terms of the AGREEMENT and result in the termination of the project.



To maintain the integrity of the COMPETITIVE GRANT PROGRAM, the GRANTEE agrees that any other project changes or alterations which deviate from the intent of the project selection criteria provided by the GRANTEE in the original competitive APPLICATION must be submitted in writing to the STATE for prior approval.

3. The GRANTEE shall complete the GRANT SCOPE in accordance with the time of the GRANT PERFORMANCE PERIOD set forth in the contract face sheet, and under the terms and conditions of this contract.
4. The GRANTEE shall comply with the California Environmental Quality Act (Public Resources Code, Section 21000, et. seq., Title 14, California Code of Regulations, Section 15000 et. seq.).
5. The GRANTEE shall at all times comply with all applicable current laws and regulations affecting ACQUISITION and DEVELOPMENT projects, including, but not limited to, legal requirements for construction contracts, building codes, health and safety codes, and laws and codes pertaining to individuals with disabilities, including but not limited to the Americans With Disabilities Act of 1990 (42 U.S.C. §12101 et.seq.) and the California Unruh Act (California Civil Code §51 et seq.)
6. If the GRANT SCOPE includes ACQUISITION of real property, the GRANTEE agrees to comply at all times with all applicable State and local laws or ordinances affecting relocation and real property ACQUISITION.
7. GRANTEE agrees that lands acquired with GRANT MONIES shall not be acquired through the use of eminent domain.

### **C. Project Costs**

1. GRANTEE agrees to abide by the GUIDES.
2. GRANTEE acknowledges that the STATE may make reasonable changes to its procedures as set forth in the GUIDES. If the STATE makes any changes to its procedures and guidelines, STATE agrees to notify GRANTEE within a reasonable time.

### **D. Project Administration**

1. If GRANT MONIES are advanced for ACQUISITION projects, the GRANT MONIES shall be placed in an escrow account. If GRANT MONIES are advanced and not expended, the unused portion of the advanced funds shall be returned to the STATE within 60 days after the close of escrow.
2. If GRANT MONIES are advanced for DEVELOPMENT projects, the advanced funds shall be placed in an interest bearing account until expended. Advanced funds must be spent within six months from the date of receipt, unless the STATE waives this requirement. Interest earned on the advanced funds shall be used on the project as approved by the STATE. If GRANT MONIES are advanced and not expended, the unused portion of the grant and any interest earned shall be returned to the STATE within 60 days after project completion or end of the GRANT PERFORMANCE PERIOD whichever is earlier.
3. The GRANTEE shall submit written project status reports within 30 calendar days after the STATE has made such a request. In any event, the GRANTEE shall provide the STATE a report showing total final project expenditures within 60 days of project completion or the end

of the GRANT PERFORMANCE PERIOD, whichever is earlier. The GRANT PERFORMANCE PERIOD is identified in the contract face sheet.

4. The STATE shall have the right to inspect all property or facilities acquired and/or developed pursuant to this contract and the GRANTEE shall make said property available for inspection upon 24 hours notice from the STATE
5. The GRANTEE and the STATE agree that if the GRANT SCOPE includes DEVELOPMENT, final payment may not be made until the work described in the GRANT SCOPE is complete.
6. Any grant funds that have not been expended by the GRANTEE shall revert to the STATE.

## **E. Project Termination**

1. In the event of non-completion of a GRANT SCOPE, the STATE may request the return of any grant funds advanced or reimbursed. Any grant funds that have not been expended by the GRANTEE shall revert to the STATE.
2. Unless the provisions of this AGREEMENT provide otherwise, after encumbrance, this contract may be rescinded, modified or amended only by mutual written agreement between the GRANTEE and the STATE, unless the provisions of this AGREEMENT provide that mutual agreement is not required.
3. Failure by the GRANTEE to comply with the terms of this AGREEMENT as well as any other grant contracts, specified or general, that GRANTEE has entered into with STATE, may be cause for suspension of all obligations of the STATE unless the STATE determines that such failure was due to no fault of the GRANTEE. In such case, STATE may reimburse GRANTEE for eligible costs properly incurred in performance of this AGREEMENT despite non-performance of the GRANTEE. To qualify for such reimbursement, GRANTEE agrees to mitigate its losses to the best of its ability.
4. Because the benefit to be derived by the STATE, from the full compliance by the GRANTEE with the terms of this contract, is the preservation, protection and net increase in the quantity and quality of parks, public recreation facilities, opportunities and/or historical resources available to the people of the State of California and because such benefit exceeds to an immeasurable and unascertainable extent, the amount of money furnished by the STATE by way of GRANT MONIES under the provisions of this contract, the GRANTEE agrees that payment by the GRANTEE to the STATE of an amount equal to the amount of the GRANT MONIES disbursed under this AGREEMENT by the STATE would be inadequate compensation to the STATE for any breach by the GRANTEE of this AGREEMENT. The GRANTEE further agrees therefore, that in addition to compensatory damages, the appropriate remedy in the event of a breach of this AGREEMENT by the GRANTEE shall be the specific performance of this contract, unless otherwise agreed to by the STATE.

## **F. Budget Contingency Clause**

For purposes of this program, if funding for any fiscal year is reduced or deleted by the budget act, executive order, the legislature, or by any other provision of statute, the STATE shall have the option to either cancel this contract with no liability occurring to the STATE, or offer a contract amendment to GRANTEE to reflect a reduced grant amount. This Paragraph shall not require the mutual agreement as addressed in Paragraph E, subsection 2, of this AGREEMENT.

## **G. Indemnity**

1. The GRANTEE shall waive all claims and recourse against the STATE including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this contract except claims arising from the concurrent or sole negligence of the STATE, its officers, agents, and employees.
2. To the fullest extent of the law, the GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, damages, costs, expenses or liability costs arising out of the ACQUISITION, DEVELOPMENT, construction, operation or maintenance of the property described as the project which claims, demands or causes of action arise under California Government Code Section 895.2 or otherwise except for liability arising out of the concurrent or sole negligence of the STATE, its officers, agents, or employees.
3. The GRANTEE agrees that in the event the STATE is named as codefendant under the provisions of California Government Code Section 895 et. seq., the GRANTEE shall notify the STATE of such fact and shall represent the STATE in the legal action unless the STATE undertakes to represent itself as codefendant in such legal action in which event the STATE shall bear its own litigation costs, expenses, and attorney's fees.
4. The GRANTEE and the STATE agree that in the event of judgment entered against the STATE and the GRANTEE because of the concurrent negligence of the STATE and the GRANTEE, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither party shall request a jury apportionment.
5. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, costs, expenses or liability costs arising out of legal actions pursuant to items to which the GRANTEE has certified. The GRANTEE acknowledges that it is solely responsible for compliance with items to which it has certified.

## **H. Financial Records**

1. The GRANTEE shall maintain satisfactory financial accounts, documents and records for the project and to make them available to the STATE for auditing at reasonable times. The GRANTEE also agrees to retain such financial accounts, documents and records for five years following project termination or final payment, whichever is later.
2. The GRANTEE shall keep such records as the STATE shall prescribe, including records which fully disclose (a) the disposition of the proceeds of STATE funding assistance, (b) the total cost of the project in connection with such assistance that is given or used, (c) the amount and nature of that portion of the project cost supplied by other sources, and (d) any other such records that will facilitate an effective audit.
3. The GRANTEE agrees that the STATE shall have the right to inspect and make copies of any books, records or reports pertaining to this contract or matters related thereto during regular office hours. The GRANTEE shall maintain and make available for inspection by the STATE accurate records of all of its costs, disbursements and receipts with respect to its activities under this contract. Such accounts, documents, and records shall be retained by the GRANTEE for 5 years following final payment.

4. The GRANTEE shall use a generally accepted accounting system.

## **I. Use of Facilities**

1. The GRANTEE agrees to operate and maintain any property acquired or developed with the GRANT MONIES for the duration of the CONTRACT PERFORMANCE PERIOD.
2. The GRANTEE agrees that during the CONTRACT PERFORMANCE PERIOD, any income earned by the GRANTEE from a STATE approved non-recreational use of the project shall be used for recreational purposes at the project, or, if approved by the STATE, for recreational purposes within the GRANTEE's jurisdiction.
3. All facilities shall have operating hours consistent with the times proposed in the APPLICATION and be open to members of the public in accordance with the project selection criteria in the APPLICATION, unless otherwise granted permission by the State and except as noted under the special provisions of this AGREEMENT or under provisions of the enabling legislation and/or grant program.
4. The GRANTEE agrees that for the duration of the CONTRACT PERFORMANCE PERIOD, any property acquired or developed with GRANT MONIES under this AGREEMENT shall be used only for the purposes of the grant and consistent with the GRANT SCOPE referenced in the APPLICATION unless prior written approval is given by the State.
5. The GRANTEE agrees to use any property acquired or developed with GRANT MONIES under this AGREEMENT only for the purposes of the grant and no other use, sale, or other disposition shall be permitted except as authorized by a specific act of the legislature in which event the property shall be replaced by the grantee with property of equivalent value and usefulness as determined by STATE.
6. The property acquired or developed may be transferred to another eligible entity only if the successor entity assumes the obligations imposed under this AGREEMENT and with written approval of the STATE.
7. Any real Property (including any portion of it or any interest in it) may not be used as security for any debt or mitigation, without the written approval of the State of California, acting through the DPR, or its successor, provided that such approval shall not be unreasonably withheld as long as the purposes for which the Grant was awarded are maintained. Any such permission that is granted does not make DPR a guarantor or a surety for any debt or mitigation, nor does it waive DPR's rights to enforce performance under the Grant Contract.
8. All real property, or rights thereto, acquired with GRANT MONIES shall be subject to an appropriate form of restrictive title, rights, or covenants approved by the STATE. If the project property is taken by use of eminent domain, GRANTEE shall reimburse STATE an amount at least equal to the amount of GRANT MONIES received from STATE or the pro rated full market value of the real property, including improvements, at the time of sale, whichever is higher.
9. If eminent domain proceedings are initiated against GRANTEE, GRANTEE shall notify STATE within 10 days of receiving the complaint.

## **J. Nondiscrimination**

1. The GRANTEE shall not discriminate against any person on the basis of sex, race, creed, color, national origin, age, religion, ancestry, sexual orientation, disability, medical condition, or marital status in the use of a specific facility included in the GRANT SCOPE.
2. The GRANTEE shall not discriminate against any person on the basis of residence, and shall not apply differences in admission or other fees on the basis of residence. Fees shall be reasonable and not unduly prevent use by economically disadvantaged members of the public.

## **K. Severability**

If any provision of this AGREEMENT or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the AGREEMENT which can be given effect without the invalid provision or application, and to this end the provisions of this contract are severable.

## **L. Liability**

STATE assumes no responsibility for assuring the safety of construction, site improvements or programs related to the GRANT SCOPE. The STATE'S rights under this AGREEMENT to review, inspect and approve the GRANT SCOPE and any final plans of implementation shall not give rise to any warranty or representation that the GRANT SCOPE and any plans or improvements are free from hazards or defects.

## **M. Assignability**

Without the written consent of the STATE, the GRANTEE'S interest in and responsibilities under this AGREEMENT shall not be assignable by the GRANTEE either in whole or in part.

## **N. Section Headings**

The headings and captions of the various sections of this AGREEMENT have been inserted only for the purpose of convenience and are not a part of this AGREEMENT and shall not be deemed in any manner to modify, explain, or restrict any of the provisions of this AGREEMENT.

## O. Waiver

Any failure by a party to enforce its rights under this AGREEMENT, in the event of a breach, shall *not* be construed as a waiver of said rights; and the waiver of any breach under this AGREEMENT shall *not* be construed as a waiver of any subsequent breach.

\_\_\_\_\_  
Grantee

By: \_\_\_\_\_  
Signature of Authorized Representative (Position Authorized in the Resolution)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# CEQA Pending Contract

## State of California – The Resources Agency DEPARTMENT OF PARKS AND RECREATION

GRANTEE \_\_\_\_\_

GRANT PERFORMANCE PERIOD for CEQA compliance is from \_\_\_\_\_ through \_\_\_\_\_

PROJECT TITLE \_\_\_\_\_ APPLICATION NUMBER \_\_\_\_\_

The Grantee agrees to the terms and conditions of this Contract, and the State of California, acting through its Director of Parks and Recreation, pursuant to the State of California, agrees to fund the State grant amount indicated below to pay for CEQA compliance.  
The Grantee agrees to complete CEQA compliance for the Project as defined in the GRANT SCOPE /Cost Estimate Form of the application filed with the State of California referenced by the application number indicated above.

**If CEQA compliance is not complete within twelve months from grant award announcement, the STATE may unilaterally rescind the grant award.**

Total State grant amount not to exceed \$ \_\_\_\_\_

The General and Special Provisions attached are made a part of and incorporated into the Contract.

Grantee \_\_\_\_\_

By \_\_\_\_\_  
(Typed or printed name of Authorized Representative)

\_\_\_\_\_  
(Signature of AUTHORIZED REPRESENTATIVE)

Title \_\_\_\_\_

Date \_\_\_\_\_

STATE OF CALIFORNIA  
DEPARTMENT OF PARKS AND RECREATION

By \_\_\_\_\_

Date \_\_\_\_\_

### CERTIFICATION OF FUNDING (FOR STATE USE ONLY)

AMOUNT OF ESTIMATE \$		CONTRACT NUMBER	FUND		
ADJ. INCREASING ENCUMBRANCE \$		APPROPRIATION			
ADJ. DECREASING ENCUMBRANCE \$		ITEM CALSTARS VENDOR NUMBER			
UNENCUMBERED BALANCE \$		LINE ITEM ALLOTMENT	CHAPTER	STATUTE	FISCAL YEAR
T.B.A. NO.	B.R. NO.	INDEX	PCA		OBJ. EXPEND
I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance.					
SIGNATURE OF ACCOUNTING OFFICER			DATE		

## I. RECITALS

This AGREEMENT is entered into between the California Department of Parks and Recreation ("hereinafter referred to as "GRANTOR," "DEPARTMENT" or "STATE") and \_\_\_\_\_ (hereinafter referred to as "GRANTEE").

The DEPARTMENT hereby grants to GRANTEE a sum (also referred to as "GRANT MONIES") not to exceed \_\_\_\_\_ Dollars (\$\_\_\_\_\_), subject to the terms and conditions of this AGREEMENT. These funds shall be used for completion of CEQA compliance for the project identified in the GRANT SCOPE.

The Grant Performance Period for CEQA Compliance is from \_\_\_\_\_ to \_\_\_\_\_.

## II. GENERAL PROVISIONS

### A. Definitions

As used in this AGREEMENT, the following words shall have the following meanings:

1. The term "ACT" means the COMPETITIVE GRANT PROGRAM as referred to in the contract face sheet.
2. The term "APPLICATION" means the individual project APPLICATION packet for a grant pursuant to the enabling legislation and/or grant program process guide requirements.
3. The term "CEQA" means the California Environmental Quality Act as stated in the Public Resources Code §21000 et seq.; Title 14 California Code of Regulations §15000 et seq.
4. The term "DEPARTMENT" or "STATE" means the California Department of Parks and Recreation.
5. The term "GRANTEE" means the party described as the GRANTEE in Section I of this AGREEMENT.
6. The term "GRANT SCOPE" means the items listed in the GRANT SCOPE/Cost Estimate Form found in the APPLICATION.
7. The term "GUIDES" means the documents identified as the "Application Guide for the Statewide Park Development and Community Revitalization Act of 2008", or the "Application Guide for the Nature Education Facilities Program" and the "Grant Administration Guide". The GUIDES provide the procedures and policies controlling the administration of the grant.

### B. CEQA Compliance Execution

1. Subject to the availability of GRANT MONIES in the ACT, the STATE hereby grants to the GRANTEE a sum of money not to exceed the amount stated in Section I of this AGREEMENT, in consideration of, and on condition that, the sum be expended in carrying out the purposes of CEQA compliance for the project as set forth in the GRANT SCOPE referenced in the APPLICATION, and under the terms and conditions set forth in this AGREEMENT.



2. The GRANTEE shall assume any obligation to furnish any additional funds that may be necessary for CEQA compliance.
3. The GRANTEE shall complete CEQA compliance in accordance with the time of the Performance Period set forth in Section I of this AGREEMENT, and under the terms and conditions of this contract and the GUIDES. If CEQA compliance is not complete within twelve months from grant award announcement, the STATE will unilaterally rescind the grant award.

### **C. Severability**

If any provision of this contract or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the contract which can be given effect without the invalid provision or application, and to this end the provisions of this contract are severable.

### **D. Section Headings**

The headings and captions of the various sections of this AGREEMENT have been inserted only for the purpose of convenience and are not a part of this AGREEMENT and shall not be deemed in any manner to modify, explain, or restrict any of the provisions of this AGREEMENT.

### **E. Waiver**

Any failure by a party to enforce its rights under this AGREEMENT, in the event of a breach, shall *not* be construed as a waiver of said rights; and the waiver of any breach under this AGREEMENT shall *not* be construed as a waiver of any subsequent breach.

\_\_\_\_\_  
Grantee

By: \_\_\_\_\_  
Signature of Authorized Representative (Position Authorized in the Resolution)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF CALIFORNIA  
DEPARTMENT OF PARKS AND RECREATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

## Special Requirements

Pages 16-24 explain how and when each of the special requirements listed below must be met.

- Status Reports (page 16)
- Memorandum of Unrecorded Grant Agreement (page 17)
- Labor Compliance Program (page 19)
- Changes to the Grant Scope (page 21)
- Sign (page 22)

Additional Requirements for nonprofit GRANTEES:

- Fidelity Bond (page 23)
- Three- Bid Process (page 24)

## Status Report

To monitor the progress of PROJECTS, every six months OGALS will send Status Reports to GRANTEES to complete. GRANTEES must return Status Reports to OGALS within thirty days from receipt. This requirement continues until OGALS receives GRANT COMPLETION PACKETS. Payment requests will not be processed if Status Reports are overdue. See the sample Status Report below, which is subject to change.

**Grantee:**

**Project number:**

**Project name:**

**Advances to date without documentation**

**(attach a Grant Expenditure Form documenting expenditure of the balance, if applicable)**

\$

*If a portion of the advanced funds have not been spent, and more than six months have passed since the grantee received the advanced funds, the balance must be spent on eligible costs or returned to OGALS within 60 days from receipt of this form.*

**Briefly describe completed work funded by the grant:** (Continue on another sheet if needed.)

**Pre-Construction/Pre-Acquisition** (Planning, CEQA, etc):

1) \_\_\_\_\_  
\_\_\_\_\_

**Acquisition and/or Construction** (provide photos)

2) \_\_\_\_\_  
\_\_\_\_\_

**Potential Obstacles Affecting Completion**

3) \_\_\_\_\_  
\_\_\_\_\_

4) **Total Funds Spent To Date Using This Grant \$** \_\_\_\_\_

5) **Estimated Date of Project Completion:** \_\_\_\_\_

6) **Percentage of Project Complete:** \_\_\_\_\_

7) **On Time** \_\_\_\_\_ *if not, explain below*

8) **Within Budget** \_\_\_\_\_ *if not, explain below*

9) **Within Scope** \_\_\_\_\_ *if not, explain below*

I represent and warrant that I have full authority to execute this Grant Progress Status Report on behalf of the Grantee. I declare under penalty of perjury, under the laws of the State of California, that this status report, and any accompanying documents, for the above-mentioned Grant is true and correct to the best of my knowledge.

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## Memorandum of Unrecorded Grant Agreement

The Memorandum of Unrecorded Grant Agreement (Memorandum) records a notice on the title of the PROJECT property stating that the property use has restrictions due to the GRANT CONTRACT with DPR.

- A Memorandum is required when the PROJECT property is owned by the GRANTEE.
- A Memorandum is not required when the PROJECT property is leased to the GRANTEE.

The following process will be used to meet the Memorandum requirement: \*

1. OGALS will send an unsigned Memorandum to the GRANTEE when it is required based on the following:
  - For projects involving ACQUISITION, the Memorandum is required after the property is acquired by the GRANTEE, and before any payment is approved for DEVELOPMENT costs.
  - For DEVELOPMENT only projects where the PROJECT site is owned in fee simple by the GRANTEE and CEQA is compete, the Memorandum is required before any payment is approved for construction costs. If CEQA is not compete, the Memorandum is required after CEQA compliance and before any payment greater than a CEQA PENDING ADVANCE is approved.
2. GRANTEE'S AUTHORIZED REPRESENTATIVE or designee signs and dates the Memorandum. GRANTEE attaches a "legal description of land where the PROJECT is located" (attachment A) to the Memorandum. The legal description can be obtained through a title report. GRANTEE notarizes the signed Memorandum and the legal description.
3. GRANTEE sends the notarized and signed Memorandum and the legal description to OGALS.
4. OGALS signs and notarizes the Memorandum, and returns the signed and notarized Memorandum to the GRANTEE for recordation.
5. GRANTEE records the signed and notarized Memorandum, and the attached legal description, with the County Clerk's Office.
6. GRANTEE provides OGALS a copy of the recorded and notarized Memorandum and the attached legal description. The copy must be stamped by the County Clerk, or the grantee must provide other evidence that it was filed with the County Clerk.

Recording requested by, and when recorded  
return to: State of California  
Department of Parks and Recreation  
Grants and Local Services Division  
1416 9<sup>th</sup> Street, Room 918  
Sacramento, CA 95814

*Space above this line for Recorder's use*

County:

APN:

***Sample Memorandum Of Unrecorded Grant Agreement (subject to change)***

This Memorandum of Unrecorded Grant Agreement (Memorandum), dated as of \_\_\_\_\_ (current date), is recorded to provide notice of an agreement between the State of California, acting by and through the Department of Parks and Recreation ("DPR"), and the \_\_\_\_\_ ("Grantee").

---

**RECITALS**

- A. On or about \_\_\_\_\_ (date grant contract was signed by DPR), DPR and Grantee entered into a certain Grant Agreement No. \_\_\_\_\_ (grant contract number), pursuant to which DPR granted to Grantee certain funds for the acquisition or improvement of certain real property, more particularly described in attached Exhibit A (legal description of the land) and incorporated by reference (the "Real Property").
- B. Under the terms of the Grant Agreement, DPR reserved certain rights with respect to the Real Property acquired or improved with the grant funds.
- C. Grantee desires to execute this Memorandum to provide constructive notice to all third parties of certain rights reserved by DPR under the Grant Agreement.

**NOTICE**

1. The Real Property (including any portion of it or any interest in it) may not be sold or transferred without the written approval of the State of California, acting by and through the Department of Parks and Recreation (DPR), or its successor, provided that such approval shall not be unreasonably withheld as long as the purposes for which the Grant was awarded are maintained.
2. For additional terms and conditions of the Grant, reference should be made to the Grant Agreement which is on file with the DPR located at: Office of Grants and Local Services (OGALS)  
1416 9<sup>th</sup> Street, Room 918  
Sacramento CA 95814

OGALS:

By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title

GRANTEE:

By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title (AUTHORIZED  
REPRESENTATIVE or designee)

## Labor Compliance Program

All GRANTEES must provide a Labor Compliance Program Certification Form (see next page) to OGALS before requesting any GRANT payment other than a CEQA PENDING ADVANCE.

Public Resource Code §75075 requires that on-site construction related work on public works projects, performed by a contractor, must have an approved Labor Compliance Program (LCP). The purpose of the LCP is to ensure that contractors comply with the prevailing wage and other applicable labor laws, and that payroll records follow generally accepted accounting practices.

Public agencies using their own work force are not required to have an approved LCP. All other GRANTEES have two options to ensure compliance for on-site construction related work performed by a contractor(s):

1. GRANTEE can hire a labor compliance contractor certified by the Department of Industrial Relations. The labor compliance contractor's role is to oversee the other contractors to ensure that the requirements of the LCP are met.

OR

2. Grantee can adopt or create a LCP which must be certified by the Department of Industrial Relations. The GRANTEE will then be responsible for overseeing the contractors to ensure that the requirements of the LCP are met.

The LCP is an eligible construction cost. However, it is understood and acknowledged that OGALS is not liable for any violations by the GRANTEE of the labor laws.

For further information regarding the LCP contact the Department of Industrial Relations. They are responsible for providing guidance for the creation and use of a LCP for your project. Their web page at [www.dir.ca.gov/LCP.asp](http://www.dir.ca.gov/LCP.asp) provides a link to contact information, frequently asked questions, and LCP documents. In addition, Labor Code §§ 1770-1781 provides the statutory basis for the LCP requirements.

## Labor Compliance Program Certification Form

Grantee: \_\_\_\_\_ PROJECT Number: \_\_\_\_\_

### Grantee contact for labor compliance program purposes

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

I hereby certify that one of the following was done: (check appropriate box)

☐ The Grantee hired a labor compliance contractor certified by the Department of Industrial Relations to ensure that the requirements of the labor compliance program are met.

Or

☐ The Grantee adopted or created a labor compliance program that is certified by the Department of Industrial Relations to ensure that the requirements of the labor compliance program are met.

Or

☐ The Labor Compliance Program is not applicable because construction work for this project will be carried out by the public agency's own work force.

### Certification:

I represent and warrant that I have full authority to execute this Labor Compliance Program Certification Form on behalf of the Grantee. I declare that the foregoing certification for the above-mentioned Project is true and correct.

\_\_\_\_\_  
Grantee's AUTHORIZED REPRESENTATIVE  
(Printed or Typed name)

\_\_\_\_\_  
Title (position authorized in resolution)

\_\_\_\_\_  
Grantee's AUTHORIZED REPRESENTATIVE  
(Signature of position authorized in resolution)

\_\_\_\_\_  
Date

## Scope Change Requests

To maintain the integrity of the competitive grant award process, any SCOPE CHANGE requests will be carefully evaluated and must be approved by OGALS in writing. This includes removal or addition of, or significant modification to, the FEATURES and MAJOR SUPPORT AMENITIES listed in the original GRANT SCOPE /Cost Estimate Form. OGALS discourages proposals that eliminate or greatly reduce a PROJECT'S recreational use or capacity.

Therefore, SCOPE CHANGE proposals must include the documents listed below. Any revised documents must satisfy the requirements described in the Application Checklist in the Application Guide for the related program. In addition, each document must include a revision date on the top right corner.

1. A proposal letter signed by the AUTHORIZED REPRESENTATIVE. Contact your PROJECT OFFICER to confirm the information that must be included in the letter. The type of information varies based on the proposed SCOPE CHANGE. In general you will need to include:
  - A comparison between the original GRANT SCOPE and the proposed GRANT SCOPE's range of recreational opportunities, projected number of users, and projected operating hours.
  - A comparison of the community based planning process used, if applicable, to develop the original GRANT SCOPE and the proposed GRANT SCOPE.
  - If the requested removal or modification is due to an unforeseen shortage of funds, provide information about your attempts to obtain funding from other local, state, federal, or private sources to complete the original GRANT SCOPE.
2. A revised GRANT SCOPE/Cost Estimate Form.
3. A new CEQA Compliance Certification Form is required if the change involves adding a FEATURE or MAJOR SUPPORT AMENITY not covered by the existing CEQA Compliance Certification Form.
4. A revised site plan showing the addition, removal, or modification of the FEATURE(s) or MAJOR SUPPORT AMENITY(s).
5. If the SCOPE CHANGE involves ACQUISITION, a revised ACQUISITION Map and ACQUISITION Schedule



## Project Sign

GRANTEES are required to post a sign or plaque at the PROJECT site to acknowledge the public's support of the Bond Act. The exact language and logo requirements of the sign will be provided to GRANTEES.

- **Size, Shape, and Material:** With exception to the logo, there is no minimum or maximum size or shape requirement for the sign. Sign materials must be resistant to weather and graffiti.
- **Location:** Must be located where it can be easily read by the public.
- **Duration:** The sign must be in place by PROJECT COMPLETION, and must remain for four years after PROJECT COMPLETION.
- **Sign Cost:** The sign is an ELIGIBLE COST.

## **Fidelity Bond**

(For Nonprofit GRANTEES only)

Nonprofit GRANTEES must provide a copy of a current fidelity bond policy to their PROJECT OFFICERS before any payment requests can be approved by OGALS.

The premium cost for a fidelity bond is an ELIGIBLE COST.

A fidelity bond provides insurance covering fraudulent acts of GRANTEES' employees, volunteers, officers, and directors. The nonprofit is the party insured. DPR must be named as a Third Party Loss Payee, i.e., the same as a bank on a car loan or a mortgage company on a home loan. The complete DPR address is: State of California, Dept. of Parks and Recreation, P.O. Box 942896, Sacramento, CA 94296-0001, Attn: Office of Grants and Local Services.

Coverage must be equal to or greater than the GRANT amount. If the GRANTEE'S existing coverage is lower than the GRANT amount, the GRANTEE needs to amend the coverage to equal or exceed the GRANT amount. Fidelity bond insurance must be kept current for at least 6 months after the date of the final GRANT payment.

GRANTEES may obtain the fidelity bond through their general liability carrier, a major casualty insurance carrier, or a bonds specialty company. These sources are listed in the yellow pages or internet. A list of fidelity bond frequently asked questions is available on the OGALS web site at [www.parks.ca.gov/grants](http://www.parks.ca.gov/grants)

## Three-Bid Process

(For Nonprofit GRANTEES only)

Before awarding a contract for work on the PROJECT, nonprofit GRANTEES must go out to bid and obtain three bids from contractors. The bids must be reviewed by the nonprofit's governing body.

GRANTEES may request a waiver for this process. To request a waiver, send a letter to the PROJECT OFFICER that explains why the waiver is needed.

Keep your records of the three-bid process for audit purposes. The Audit Checklist on page 45 requires the following:

- List of bidders (including individual bid packages)
- Recommendation by reviewer of bids
- Awarding by governing body (minutes of the meeting/resolution)

## Eligible Costs – Statewide Park Program

This section provides rules and examples of ELIGIBLE COSTS for ACQUISITION and DEVELOPMENT for the Statewide Park Program.

### ACQUISITION Costs

The following provide examples of ELIGIBLE COSTS for ACQUISITION.

ACQUISITION COSTS (Up to 100% of GRANT Amount)	EXAMPLES (STATEWIDE PARK PROGRAM)
Purchase price of the property and other activities necessary to complete the ACQUISITION.	<b>Appraisals, surveys</b> <ul style="list-style-type: none"><li>• <b>Preliminary title reports</b></li><li>• <b>Title insurance fees</b></li><li>• <b>Escrow fees and purchase price</b></li><li>• <b>Relocation costs:</b> costs resulting in displacement of tenants (not willing sellers or GRANTEES) pursuant to Government Code §§7260 – 7277.<ul style="list-style-type: none"><li>○ If the GRANT is not paying for relocation costs, the GRANTEE must ensure that the willing seller is paying displaced tenants in compliance with Government Code §§7260 – 7277.</li></ul></li><li>• <b>Employee services:</b> see accounting rules for employee services on page 44.</li><li>• <b>PROJECT/GRANT administration and accounting</b></li></ul>

### DEVELOPMENT Costs

DEVELOPMENT includes PRE-CONSTRUCTION COSTS and CONSTRUCTION COSTS.

PRE-CONSTRUCTION is the phase that includes planning, design, construction documents, and permits necessary before construction can begin. No more than 25% of the GRANT amount may be spent on PRE-CONSTRUCTION COSTS.

For the purpose of the GRANT, PRE-CONSTRUCTION COSTS OCCUR:

- during the planning, design, and permit phase of the PROJECT, before construction can begin, and
- end when ground-breaking construction activities such as site preparation, grading, or gutting begins.

CONSTRUCTION COSTS start when:

- ground-breaking construction activities such as site preparation, grading, or gutting begins after the necessary PRE-CONSTRUCTION phase has concluded.

The following charts provide examples of ELIGIBLE COSTS for PRE-CONSTRUCTION and construction costs.

<b>PRE-CONSTRUCTION COSTS</b> (Maximum 25% of GRANT amount)	<b>EXAMPLES (STATEWIDE PARK PROGRAM)</b>
Costs incurred during the planning, design, and permit phase of the project, <u>before</u> construction begins.	<ul style="list-style-type: none"> <li>• <b>Public meetings/focus groups/design workshop costs</b></li> <li>• <b>Plans, specifications, construction documents, and cost estimates</b></li> <li>• <b>Permits</b></li> <li>• <b>CEQA</b></li> <li>• <b>Premiums on hazard and liability insurance to cover personnel or property</b></li> <li>• <b>Fidelity bond premium cost</b></li> <li>• <b>Bid packages</b></li> <li>• <b>Employee services:</b> see accounting rules for employee services on page 44 for more info.</li> <li>• <b>PROJECT/GRANT administration (excluding grant writing) and accounting.</b></li> </ul>

<b>CONSTRUCTION COSTS</b> (Up to 100% of GRANT Amount)	<b>EXAMPLES (STATEWIDE PARK PROGRAM)</b>
Costs incurred during the construction phase of the PROJECT when ground-breaking construction activities such as site preparation, grading, or gutting begins.	<ul style="list-style-type: none"> <li>• <b>Site preparation, grading, gutting</b></li> <li>• <b>Foundation work</b></li> <li>• <b>Purchase and installation of permanent equipment:</b> playground equipment, benches, signs, display boards, sound systems, video equipment etc.</li> <li>• <b>Construction supplies and materials:</b> may be drawn from central stock if claimed costs are no higher than supplies or materials purchased elsewhere.</li> <li>• <b>Construction equipment owned by GRANTEE:</b> equipment owned by the GRANTEE may be charged to the GRANT for each use. Rental rates published by the California Department of Transportation may be used as a guide. For audit purposes, a report or source document must describe the work performed, indicate the hours used, relate the use to the GRANT SCOPE, and must be signed by the operator or supervisor.</li> <li>• <b>Construction equipment rented or purchased by GRANTEE:</b> may also be rented or purchased, whichever is the most economical use of GRANT funds. For purchased equipment, the GRANT will pay for the rental price equivalent in proportion to the time the purchased equipment is used on the GRANT SCOPE. (Rental rates published by the California Department of Transportation may be used as a guide.) The GRANT will pay for the total cost of the equipment if the purchase price is less than the rental price equivalent.</li> </ul>

CONSTRUCTION COSTS (Up to 100% of GRANT Amount)	EXAMPLES (STATEWIDE PARK PROGRAM)
<p>Costs incurred during the construction phase of the PROJECT when ground-breaking construction activities such as site preparation, grading, or gutting begins.</p>	<p>Any funds earned by the GRANTEE from the sale of equipment purchased with the GRANT must be spent on the PROJECT.</p> <ul style="list-style-type: none"> <li>• <b>Construction management:</b> including site inspections, labor compliance program (page 19).</li> <li>• <b>Employee services</b> – see accounting rules for employee services on page 44 for more info.</li> <li>• <b>PROJECT/GRANT administration and accounting</b></li> <li>• <b>Miscellaneous costs:</b> other costs incurred during the construction phase, such as transporting materials, equipment, personnel, and communications.</li> </ul>

INELIGIBLE COSTS	EXAMPLES OF INELIGIBLE COSTS
<p>Cannot be charged to the GRANT</p>	<ul style="list-style-type: none"> <li>• <b>Outside the GRANT PERFORMANCE PERIOD</b> – costs incurred before or after the GRANT PERFORMANCE PERIOD.</li> <li>• <b>Indirect costs</b> – overhead business expenses <u>of the GRANTEE'S fixed or ordinary operating costs:</u> (rent, mortgage payments, property taxes, utilities)</li> <li>• <b>Outside PARK/PROJECT site boundaries</b> – Streets, traffic lights, or other infrastructure not located within the PARK/PROJECT site.</li> <li>• <b>Fundraising</b></li> <li>• <b>Food</b></li> <li>• <b>Grant Writing</b></li> </ul>

## ELIGIBLE COSTS – NATURE EDUCATION FACILITIES PROGRAM

This section provides rules and examples of ELIGIBLE COSTS for Nature Education Facilities Program PROJECTS. It also contains information on ineligible costs. ELIGIBLE COSTS incurred during the GRANT PERFORMANCE PERIOD, from 07/01/09 to 06/30/17, can be reimbursed once a fully ENCUMBERED CONTRACT is in place. Any costs incurred before a GRANT is awarded and a CONTRACT fully ENCUMBERED are at the APPLICANT'S own risk. The GRANT ADMINISTRATION GUIDE provides additional information and instructions on payment requests and audit requirements.

Section 75081 of the Public Resources Code requires that all provisions of the State General Obligation Bond Law apply to Proposition 84 funds. This allows the expenditure of funds for tangible physical property. This includes planning and construction of new facilities, buildings, and structures as well as additions to, and modification of, existing buildings and facilities, and the equipment related to such construction. Funds may also be expended on fixed equipment that is either needed for initial occupancy and operation of a new FACILITY or needed to enhance the useful purpose of the FACILITY.

In general, GRANT funds **may** be used for:

- Any part of a building or FACILITY that directly provides, or helps to provide NATURE EDUCATION.
- Support facilities incorporated within the building or FACILITY that are considered necessary for its primary function, e.g., restrooms, related offices, storage and equipment space.
- Supplemental facilities that provide incidental services for visitors and/or revenue for the operation and maintenance of the PROJECT, e.g., gift shops, cafes, equipment rental shops.

GRANT funds **may not** be used for any part of a building or FACILITY which does not meet the intent of the program. Therefore, if the proposed function is unrelated to the need to provide, or support NATURE EDUCATION, the costs would be ineligible under this program. Examples include, but are not limited to unrelated office, storage and equipment space.

## Development Costs

DEVELOPMENT costs are divided into two categories based on the phase of construction. The first phase includes PRE-CONSTRUCTION COSTS such as planning, design, and construction documents, and any permits necessary before construction can begin. No more than 25% of the GRANT amount may be spent on PRE-CONSTRUCTION COSTS.

The second phase includes CONSTRUCTION COSTS which start after the necessary PRE-CONSTRUCTION phase has concluded. The construction phase begins with ground-breaking activities such as site preparation, grading, or gutting and continues through project completion.

The purchase and installation of MARINE RESEARCH EQUIPMENT is also a second phase cost.

<b>PRE-CONSTRUCTION</b> (Max 25% of GRANT)	<b>EXAMPLES (NATURE EDUCATION FACILITIES)</b>
CAPITAL OUTLAY Costs incurred: <ul style="list-style-type: none"><li>• Within the GRANT PERFORMANCE PERIOD</li><li>• Before construction begins</li></ul>	<ul style="list-style-type: none"><li>• Travel costs for mandatory state grant administration technical assistance workshops</li><li>• Public meetings/focus groups/design workshop costs</li><li>• Plans, specifications, construction documents, and cost estimates</li><li>• Design and engineering, surveys</li><li>• Permits</li><li>• Environmental impact reports, assessments, mitigation</li><li>• Premiums on hazard and liability insurance to cover personnel or property</li><li>• Fidelity bond premium cost</li><li>• Bid packages</li><li>• Direct project/grant management, administration and accounting. Does not include grant writing.</li><li>• Employee services: see accounting rules for employee services in the GRANT ADMINISTRATION GUIDE</li></ul>



<b>CONSTRUCTION</b> (Up to 100% of GRANT)	<b>EXAMPLES (NATURE EDUCATION FACILITIES)</b>
<p>CAPITAL OUTLAY Costs Incurred:</p> <ul style="list-style-type: none"> <li>• Within the GRANT PERFORMANCE PERIOD</li> <li>• After construction begins</li> </ul>	<ul style="list-style-type: none"> <li>• Site preparation, grading, gutting, foundation work, surveys</li> <li>• Alteration, renovation, additions including modifications of existing buildings, structures or other facilities, which alters or upgrades the function, layout, capacity, or quality.</li> <li>• Construction management directly related to the project: including site inspections, labor compliance program (see the GRANT ADMINISTRATION GUIDE).</li> <li>• Purchase and installation of marine wildlife conservation research equipment</li> <li>• Fixed equipment needed for initial occupancy and operation of a new facility or space, such as heating and air conditioning units.</li> <li>• Fixed equipment needed to enhance the useful purpose of the facility including construction and installation of exhibit structures and the fixed equipment within exhibits including: <ul style="list-style-type: none"> <li>▪ Exhibit production including materials, fabrication and installation of object display elements, lighting.</li> <li>▪ LCD monitors and/or projectors attached or inset, and wiring, hardware to enhance or upgrade computers to enable more complex programs</li> <li>▪ Media players for high definition video and high quality audio, including speakers, and amplification systems</li> <li>▪ Specialized media cabinets to house computers or systems</li> <li>▪ Control devices that enable the use of the media.</li> <li>▪ Interpretive signs, exhibit labels and graphics</li> <li>▪ Construction and installation of interpretive signs and exhibit structures</li> </ul> </li> </ul> <p>Does not include items for display e.g., collections, specimens, artifacts, animals, fish</p> <p>Does not include materials or programs including brochures, audio programs, videos, films.</p> <ul style="list-style-type: none"> <li>• Employee services – see accounting rules for employee services in the GRANT ADMINISTRATION GUIDE</li> <li>• Project/grant management, administration, accounting</li> <li>• Miscellaneous costs: other costs incurred during the construction phase, such as transporting materials, equipment, personnel, and communications.</li> <li>• Construction supplies and materials: May be drawn from central stock if claimed costs are no higher than supplies or materials purchased elsewhere.</li> <li>• Construction equipment owned by grantee may be charged to the grant for each use. <ul style="list-style-type: none"> <li>▪ Rental rates published by the California Department of</li> </ul> </li> </ul>

<b>CONSTRUCTION</b> (Up to 100% of GRANT)	<b>EXAMPLES (NATURE EDUCATION FACILITIES)</b>
	<p>Transportation may be used as a guide.</p> <ul style="list-style-type: none"> <li>▪ For audit purposes, a report or source document must describe the work performed, indicate the hours used, relate the use to the GRANT SCOPE, and must be signed by the operator or supervisor.</li> <li>• Construction equipment rented or purchased by grantee whichever is the most economical use of grant funds.             <ul style="list-style-type: none"> <li>▪ If purchased, the grant will pay for the rental price equivalent in proportion to the time the equipment is used for the grant scope.</li> <li>▪ Rental rates published by the California Department of Transportation may be used as a guide.</li> <li>▪ Grant will pay for the total cost of the equipment if the purchase price is less than the rental price equivalent</li> <li>▪ Any funds earned from the sale of equipment purchased with the grant must be spent on the project.</li> </ul> </li> </ul>

## Ineligible Costs

INELIGIBLE COSTS	EXAMPLES (NATURE EDUCATION FACILITIES)
Cannot be charged to the GRANT	<ul style="list-style-type: none"> <li>• Outside the grant performance period, i.e., costs incurred before or after the grant performance period.</li> <li>• Any part of a building or FACILITY which does not meet the intent of the program, and is not related to the need to provide, or support NATURE EDUCATION. Examples include, but are not limited to, unrelated office, storage and equipment space.</li> <li>• Outside park/project site boundaries, i.e., streets, traffic lights, or other infrastructure not located within the park/project site.</li> <li>• Indirect costs, i.e., overhead business expenses of the grantee's fixed or ordinary operating costs including rent, mortgage payments, property taxes, utilities</li> <li>• Objects/Items for display e.g., collections, specimens, artifacts, animals, fish</li> <li>• Materials or programs including brochures, audios, videos, films.</li> <li>• Costs for developing or staffing programs, e.g., interpretive, nature education</li> <li>• Software, licensing fees, and other costs related to the use of the software.</li> <li>• Relocation, including temporary "swing space" while a project is under construction and moving expenses.</li> <li>• Repairs and maintenance intended to keep a facility functional at its designed level of services and life expectancy.</li> <li>• Movable equipment such as tables, chairs, table top computers, etc</li> <li>• Food</li> <li>• Fundraising</li> <li>• Grant Writing</li> </ul>

## GRANT Payments

This section is organized by the three types of payments, which are:

- ADVANCE payments (see page 33)
- REIMBURSEMENT payments (see page 37)
- Final payment (see page 38)

GRANT payments before the final payment may not exceed 80% of the GRANT amount. 20% of the GRANT amount is retained for the final payment as a REIMBURSEMENT.

The GRANTEE should group costs together to avoid frequent payment requests. Payment requests greater than \$10,000 are encouraged.

Payment requests are processed through the State Controller's Office and are mailed to the GRANTEE approximately six weeks from the date the request is approved by OGALS.

OGALS will not approve payment requests if they do not meet the requirements described in this GRANT ADMINISTRATION GUIDE.

### ADVANCE Payments

ADVANCE payments are made at the discretion of OGALS. OGALS considers ADVANCE payments as a privilege, not a right. OGALS reserves the right to disapprove ADVANCE payments.

The following section describes ADVANCE payments for ACQUISITION and DEVELOPMENT costs.

There are three possible types of ADVANCE payments:

1. CEQA PENDING ADVANCE
2. ACQUISITION ADVANCE
3. DEVELOPMENT ADVANCE

#### 1. CEQA PENDING ADVANCE:

Payment Type	When to Request	Document to Send to PROJECT OFFICER
CEQA PENDING ADVANCE	After the CEQA PENDING CONTRACT has been ENCUMBERED.	Payment Request Form

- CEQA PENDING ADVANCES will be limited to less than or equal to ten percent of the GRANT amount and will be based on APPLICANTS' estimated costs for CEQA compliance.
- Costs incurred using CEQA PENDING ADVANCES fall within the 25% GRANT amount limit on PRE-CONSTRUCTION costs.

## 2. ACQUISITION ADVANCE:

Payment Type	When to Request	Documents to Send to PROJECT OFFICER
ADVANCES up to 80% of the GRANT amount for ACQUISITION.	After the GRANT CONTRACT has been ENCUMBERED, and escrow is open.	The four required items to request an ADVANCE payment into escrow. (explained below)

These four items are required to request an ADVANCE payment into escrow for ACQUISITION:

1. A letter on the GRANTEE'S letterhead, addressing all of the following elements, and signed by the GRANTEE'S AUTHORIZED REPRESENTATIVE:
  - a) Name, address and telephone number of the title company or escrow holder, and the escrow account number to which the GRANT funds will be disbursed.
  - b) GRANT CONTRACT number and amount of GRANT funds requested.
  - c) A statement by the GRANTEE that "the preliminary title report shows that there are no liens, easements, or any other restrictions that would prevent completion of the GRANT SCOPE and fulfillment of the CONTRACT provisions."
  - d) A statement by the GRANTEE that "all funds (exclusive of the GRANT funds to be provided under this Agreement) needed for the completion of the ACQUISITION of the property or properties have been secured and have been or will be deposited to escrow on or about the same date as the requested GRANT funds." In making this statement, the GRANTEE is entitled to reasonably rely on the representations of the seller.
2. Cover page of the preliminary title report.
3. CEQA Compliance Certification Form (if not yet provided).
4. Payment Request Form. The "Send Warrant To" item 7 on the Payment Request Form must be completed using the title company's or escrow holder's name, mailing address, and contact person. See page 39.

After approval by OGALS, the payment will be mailed by the State Controller's Office to the designated escrow company within approximately 30 working days.

### Returning Unexpended Advanced Funds for ACQUISITION:

If all or a portion of GRANT funds advanced to the title or escrow company are not expended, the unused portion of the advanced funds must be returned to OGALS within 60 days after completion of the ACQUISITION(s), within 60 days of the ACQUISITION withdrawal, or within 60 days after the end of the GRANT PERFORMANCE PERIOD, whichever is earliest.

**DEVELOPMENT ADVANCE:**

<b>Payment Type</b>	<b>When to Request</b>	<b>Documents to Send to PROJECT OFFICER</b>
ADVANCE(s) up to 50% of GRANT amount	After the GRANT CONTRACT has been ENCUMBERED, CEQA is complete, and construction will commence during the next six months	<ul style="list-style-type: none"> <li>• Payment Request Form</li> <li>• Payment Schedule (see page 35 for instructions)</li> <li>• Copy of signed construction contract and a notice to proceed (between GRANTEE and contractor) if applicable.</li> <li>• Labor Compliance Certification Form*</li> <li>• CEQA Compliance Certification Form*</li> <li>• Memorandum of Unrecorded Grant Agreement*</li> <li>• Fidelity bond for non profit GRANTEES*</li> </ul>

**Payment Schedule**

A payment schedule is required for a DEVELOPMENT ADVANCE. The payment schedule must provide the following information:

- A month by month estimate, up to six months, showing the anticipated amount needed.
- To which entity the GRANTEE will pay using the ADVANCED funds (FORCE ACCOUNT or name of contractors).

**Six Month ADVANCE Period - Documenting Expenditure of Advanced Funds and Interest**

GRANT funds ADVANCED and any interest earned, must be spent on ELIGIBLE COSTS within six months and documented on the Grant Expenditure Form.

**Six Month ADVANCE Period - Returning Unexpended Advanced Funds or Interest**

The balance of unspent GRANT funds must be returned to OGALS no later than thirty days after the end of the six month ADVANCE period. OGALS will then return the GRANT funds to the CONTRACT balance. OGALS cannot return interest to the CONTRACT balance.

- If interest was earned on the ADVANCED funds, spend the interest on ELIGIBLE COSTS, and return the unspent GRANT funds to OGALS.

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\* If not yet provided.

## **Subsequent ADVANCES**

A Grant Expenditure Form documenting expenditure of the total amount of previously ADVANCED funds plus interest must be provided to OGALS before additional payments can be approved.

- This requirement may be waived in cases where a PROJECT requires timely payments to contractors, and the remaining balance of unspent ADVANCED funds cannot cover the next PROJECT payment. The following items are required to request a waiver:
  1. A letter to the PROJECT OFFICER, signed by the AUTHORIZED REPRESENTATIVE, explaining why the waiver is needed.
  2. A Grant Expenditure Form documenting that the majority of ADVANCED funds have been spent.
  3. A payment schedule with a month by month estimate showing the anticipated amount needed including the unspent balance of previously ADVANCED funds, along with the additional requested ADVANCE.

## Reimbursement Payments

There are two possible types of REIMBURSEMENT payments before the final payment:

1. ACQUISITION Reimbursement
2. DEVELOPMENT Reimbursement

### 1. ACQUISITION Reimbursement

Payment Type	When to Request	Documents to Send to PROJECT OFFICER
REIMBURSEMENT of up to 80% of GRANT amount before final payment	After the CONTRACT is ENCUMBERED and the GRANTEE incurred ACQUISITION costs for work related to the GRANT SCOPE.	<ul style="list-style-type: none"><li>• Payment Request Form</li><li>• Grant Expenditure Form</li></ul>

### 2. DEVELOPMENT Reimbursement

Payment Type	When to Request	Documents to Send to PROJECT OFFICER
REIMBURSEMENT of up to 80% of GRANT amount before final payment	After the CONTRACT is ENCUMBERED and the GRANTEE incurred costs for work related to the GRANT SCOPE	<ul style="list-style-type: none"><li>• Payment Request Form</li><li>• Grant Expenditure Form</li><li>• Labor Compliance Certification Form *</li><li>• Memorandum of Unrecorded Grant Agreement (page 17) *</li><li>• Fidelity bond for non profit GRANTEES. *</li></ul>

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\* If not yet provided.



## Final Payments

For the recommended deadline to request a final payment, see page 2 item 6.

The final payment (20% retention of the GRANT amount) will be processed after PROJECT COMPLETION and the following is approved by OGALS:

1. Approval of the GRANT COMPLETION PACKET (see page 40) and additional required documents in the charts below.
2. Site inspection by the PROJECT OFFICER to verify PROJECT COMPLETION.

Final Payment Requirements for GRANT SCOPES with ACQUISITION Costs		
Payment Type	When to Request	Documents to Send to PROJECT OFFICER
Final (20% retention of GRANT amount)	After the GRANTEE completes the GRANT SCOPE	GRANT COMPLETION PACKET Escrow closing statement Recorded deed to the property Relocation costs letter (if applicable) signed by the AUTHORIZED REPRESENTATIVE. The letter must list the relocation amounts (charged to the GRANT) for each tenant displaced by the ACQUISITION. No more than the maximum relocation amount pursuant to Government Code §§7260 – 7277 can be paid for by the GRANT.

Final Payment Requirements for GRANT SCOPES with DEVELOPMENT Costs		
Payment Type	When to Request	Documents to Send to PROJECT OFFICER
Final (20% retention of GRANT amount)	After the GRANTEE completes the GRANT SCOPE	<ul style="list-style-type: none"> <li>• GRANT COMPLETION PACKET</li> <li>• Labor Compliance Certification Form *</li> <li>• Memorandum of Unrecorded Grant Agreement (page 17)</li> <li>• Fidelity bond for non profit GRANTEES. *</li> </ul>

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\* If not yet provided.

# Payment Request Form

State of California - The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

## PAYMENT REQUEST FORM

**See instructions on reverse.**

1. PROJECT NUMBER		2. CONTRACT NUMBER	
3. GRANTEE			
4. PROJECT TITLE			
5. TYPE OF PAYMENT <input type="checkbox"/> Advance <input type="checkbox"/> Reimbursement <input type="checkbox"/> Final			
<b>6. PAYMENT INFORMATION</b> <i>(Round all figures to the nearest dollar)</i>			
a. Grant Amount		\$	_____
b. Funds Received To Date		\$	_____
c. Available (a. minus b.)		\$	_____
d. Amount Of This Request		\$	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>
e. Remaining Funds After This Payment (c. minus d.)		\$	_____
<b>7. SEND WARRANT TO:</b>			
AGENCY NAME			
STREET ADDRESS			
CITY/STATE/ZIP CODE			
ATTENTION			
8. I represent and warrant that I have full authority to execute this payment request on behalf of the Grantee. I declare under penalty of perjury, under the laws of the State of California, that this report, and any accompanying documents, for the above payment request are true.			
SIGNATURE OF POSITION AUTHORIZED IN RESOLUTION		TITLE	DATE
			
<b>FOR CALIFORNIA DEPARTMENT OF PARKS AND RECREATION USE ONLY</b>			
PAYMENT APPROVAL SIGNATURE		DATE	
			

(Front)(Excel)( Rev. 5/4/2005)

## Payment Request Form Instructions

- Legibly type or print all entries
- Round off all amounts to the nearest dollar

The following instructions correspond to items on the Payment Request Form:

1. PROJECT Number - The number assigned by OGALS to the PROJECT
2. CONTRACT Number - As shown in Certification of Funding section of the CONTRACT
3. GRANTEE - GRANTEE name as shown on the CONTRACT
4. PROJECT Title - Name of the PROJECT as shown in the Application
5. Type of Payment – check appropriate box on form.
6. Payment Information
  - a. GRANT amount
  - b. Funds received to date - amount paid out from this GRANT
  - c. Available - (a. minus b.)
  - d. Amount of this request
  - e. Remaining funds after this payment - (c. minus d.)
7. Send Warrant To - GRANTEE name, address and contact person
  - Or escrow/title company name, address and contact person if requesting an advance to be placed in escrow for ACQUISITION
8. Signature of AUTHORIZED REPRESENTATIVE according to the Resolution or delegated authority.

## GRANT Expenditure Form

PROJECT Number \_\_\_\_\_

Warrant/Check # (1)	Date (2)	Recipient (3)	Purpose (4)	Pre- Construction Amount (5)	Acquisition and/or Construction Amount (6)
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PRE-CONSTRUCTION Subtotal (5) \$ \_\_\_\_\_

Construction Subtotal (6) \$ \_\_\_\_\_

Grand Total (5) + (6) \$ \_\_\_\_\_

List only ELIGIBLE COSTS charged to the GRANT.

**Column (1)** Use of electronic payment numbers/electronic funds transfer numbers in the "Warrant/Check Number" column is acceptable. Please include an "EP" next to the electronic payment numbers/electronic funds transfer numbers.

If FORCE ACCOUNT LABOR or GRANTEE'S own equipment was used, a work order or other tracking number can be used instead of a check/warrant number. (see page 44)

**Column (2)** Date payment was made to recipient. If FORCE ACCOUNT LABOR was used, the date that the work was performed may be used.

**Column (3)** Name of Contractor, FORCE ACCOUNT, or other entity performing work.

**Column (4)** Brief description of cost, such as "design", "permits", "construction."

**Column (5)** PRE-CONSTRUCTION costs subject to the 25% cap (see ELIGIBLE COSTS, page 25).

**Column (6)** ACQUISITION or DEVELOPMENT costs eligible for up to 100% of GRANT amount. (see ELIGIBLE COSTS, page 25).

An electronic version of this form is available at [www.parks.ca.gov/grants](http://www.parks.ca.gov/grants).

GRANTEES may use their own spreadsheet if it contains the required information shown above.

## Grant Completion Packet

To request the final payment and close out the GRANT, the GRANTEE must provide the following four documents after PROJECT COMPLETION. (For the recommended deadline to request a final payment, see page 2, #5.)

1. Payment Request Form (page 39)
2. GRANT Expenditure Form (page 41)
  - For GRANT SCOPES with ACQUISITION Costs, also provide the documents listed in the “Final Payment requirements for GRANT SCOPES with ACQUISITION Costs” chart on page 38.
3. PROJECT COMPLETION Certification (page 42)
  - OGALS recommends that the GRANTEE file a “notice of completion” with the County Recorder pursuant to Civil Code §3093. The purpose of the “notice of completion” is to limit the period of time when a mechanic’s lien may be recorded against a construction project. Filing the “notice of completion” is not a GRANT completion requirement.
4. Photo of the PROJECT sign (page 22)

## PROJECT COMPLETION Certification

Grantee: \_\_\_\_\_ PROJECT Number: \_\_\_\_\_

### Grantee contact for audit purposes

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

**PROJECT COMPLETION – list the FEATURES and MAJOR SUPPORT AMENITIES developed and/or the property acquired (use additional pages, if needed):**

**List other funds (sources and amounts) used on Project (use additional pages, if needed):**

Interest earned on advanced Grant funds: \$ \_\_\_\_\_ Interest spent on ELIGIBLE COSTS:  
\$ \_\_\_\_\_

**Did the Grantee file a “Notice of Completion” with the county recorder? Yes \_\_\_ No \_\_\_**

### Certification:

I hereby certify that all Grant funds were expended on the above named Project and that the Project is complete and we have made final payment for all work charged to the Grant.

I have read California Penal Code §118 and understand that every person who testifies, declares, deposes, or certifies under penalty of perjury and willfully states as true any material matter which he or she knows to be false, is guilty of perjury, which is a felony punishable by imprisonment in state prison for two, three, or four years.

Furthermore, I have read California Penal Code §72 and understand that every person who, with the intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city, or District board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is guilty of a felony-misdemeanor punishable either by imprisonment in county jail for a period of not more than one year, by a fine not exceeding one thousand dollars, or both, or by imprisonment in state prison, by a fine not exceeding ten thousand dollars, or both.

I represent and warrant that I have full authority to execute this Project Completion Certification on behalf of the Grantee. I declare under penalty of perjury that the foregoing certification of Project Completion for the above-mentioned Grant is true and correct.

\_\_\_\_\_  
Grantee's AUTHORIZED REPRESENTATIVE  
(Printed or typed name)

\_\_\_\_\_  
Title of the position authorized in the Resolution

\_\_\_\_\_  
Grantee's AUTHORIZED REPRESENTATIVE (Signature)

\_\_\_\_\_  
Date

# ACCOUNTING AND AUDITS

Contact the DPR Audits Office at (916) 445-8999 for questions about the following requirements.

## Accounting Requirements

Grantees must use accounting practices that:

- Provide accounting data that clearly records costs incurred on the PROJECT and accurately reflects fiscal transactions, with the necessary controls and safeguards.
- Provide good audit trails, especially the source documents (purchase orders, receipts, progress payments, invoices, time cards, cancelled warrants, warrant numbers, etc.) specific to the PROJECT.

## Accounting Rules for Employee Services (FORCE ACCOUNT LABOR)

Grantees must follow these accounting practices for employee services:

- Maintain time and attendance records as charges are incurred, recording actual time spent on the PROJECT, and describing the specific work performed on the PROJECT during that time.
- Time estimates for work performed on the PROJECT are not acceptable.
- Time sheets that do not identify specific work performed during the time spent on the PROJECT are not acceptable.
- Costs of the salaries and wages must be calculated according to the GRANTEE'S wage and salary scales, and may include benefit costs such as "workers' compensation."
- Overtime costs may be allowed under the GRANTEE'S established policy, provided that the regular work time was devoted to the same PROJECT.

## State Audit

Grants are subject to audit by DPR. (See page 45, Audit Checklist). All PROJECT records must be retained for five years after final payment was received.

The GRANTEE must provide the following when an audit date and time has been confirmed by DPR:

- All PROJECT records, including the source documents and cancelled warrants, books, papers, accounts, time sheets, or other records listed in the Audit Checklist or requested by DPR.
- An employee having knowledge of the PROJECT and its records to assist DPR's auditor.

## Audit Checklist

An audit of the PROJECT may be performed before or following PROJECT COMPLETION. Listed below are some of the items the auditor will examine during the review. The GRANTEE must have these records available in a central location ready for review once an audit date and time has been confirmed. Contact DPR's Audits Office at (916) 445-8999 for questions about audit requirements.

### **CONTRACTS**

- \_\_\_\_\_ Summary list of bidders (including individual bid packages)
- \_\_\_\_\_ Recommendation by reviewer of bids
- \_\_\_\_\_ Awarding by governing body (minutes of the meeting/resolution)
- \_\_\_\_\_ Construction contract agreement
- \_\_\_\_\_ CONTRACT bonds (bid, performance, payment)
- \_\_\_\_\_ CONTRACT change orders
- \_\_\_\_\_ Contractor's progress billings
- \_\_\_\_\_ Payments to contractor (cancelled checks/warrants\*\*)
- \_\_\_\_\_ Stop Notices (filed by sub-contractors and release if applicable)
- \_\_\_\_\_ Liquidated damages (claimed against the contractor)
- \_\_\_\_\_ Notice of completion (recorded)

### **FORCE ACCOUNT LABOR\***

- \_\_\_\_\_ Authorization/work order identifying project
- \_\_\_\_\_ Daily time sheets signed by employee and supervisor
- \_\_\_\_\_ Hourly rate (salary schedules/payroll register)
- \_\_\_\_\_ Fringe benefits (provide breakdown)

### **IN-HOUSE EQUIPMENT<sup>2\*</sup>**

- \_\_\_\_\_ Authorization/work order
- \_\_\_\_\_ Daily time records identifying the project site
- \_\_\_\_\_ Hourly rate related backup documents

### **MINOR CONTRACTS/MATERIALS/SERVICES/EQUIPMENT RENTALS**

- \_\_\_\_\_ Purchase orders/Contracts/Service Agreements

<sup>2</sup> \* Estimated time expended on the projects is not acceptable. Actual time records and all supporting documentation must be maintained as charges are incurred and made available for verification at the time of audit.

\*\* Front and back if copied.

- \_\_\_\_\_ Invoices
- \_\_\_\_\_ Payments (actual cancelled checks/warrants\*\*)

### **ACQUISITION**

- \_\_\_\_\_ Appraisal Report
- \_\_\_\_\_ Did the owner accompany the appraiser?
- \_\_\_\_\_ 10 year history
- \_\_\_\_\_ Statement of just compensation (signed by seller)
- \_\_\_\_\_ Statement of difference (if purchased above appraisal)
- \_\_\_\_\_ Waiver of just compensation (if purchased below appraisal: signed by seller)
- \_\_\_\_\_ Final Escrow Closing Statement
- \_\_\_\_\_ Cancelled checks/warrants (payment(s) to seller(s))
- \_\_\_\_\_ GRANT deed (vested to the participant) or final order of condemnation
- \_\_\_\_\_ Title insurance policy (issued to participant)
- \_\_\_\_\_ Relocation documents
- \_\_\_\_\_ Income (rental, grazing, sale of improvements, etc.)

### **INTEREST**

- \_\_\_\_\_ Schedule of interest earned on State funds advanced  
Interest on grant ADVANCES is accountable, even if commingled in a pooled fund account and/or interest was never allocated back to the grant fund.

### **AGREEMENT/CONTRACTS**

- \_\_\_\_\_ Leases, agreements, etc., pertaining to developed/acquired property



## DEFINITIONS

Capitalized words and terms used in this procedural guide are defined below.

**ACQUISITION** – to obtain fee simple title of real property or a permanent easement, which gives permanent rights to use the property for the purposes of the GRANT SCOPE. A lease or rental is not considered ACQUISITION.

**ADVANCE** – payment made to the GRANTEE for work that will occur in the future or work that has already occurred during the GRANT PERFORMANCE PERIOD and has not been paid for by the GRANTEE.

**APPLICANT** – an entity which does not yet have a fully-executed CONTRACT with DPR, and is requesting GRANT funding through a competitive process.

**APPROPRIATION DATE** – when program funding is authorized by the legislature. : The Statewide Park Program APPROPRIATION DATE is July 1, 2009 for round one GRANT awards is to be determined for round two GRANT awards. The Nature Education Facilities Program APPROPRIATION DATE is July 1, 2009.

**AUTHORIZED REPRESENTATIVE** – the APPLICANT’S/GRANTEE’S designated position authorized in the Resolution to sign all required GRANT documents. The AUTHORIZED REPRESENTATIVE may designate an alternate by informing OGALS in writing.

**CEQA** – the California Environmental Quality Act as stated in the Public Resources Code §21000 et seq.; Title 14 California Code of Regulations §15000 et seq. CEQA is a law establishing policies and procedures that require entities to identify, disclose to decision makers and the public, and attempt to lessen significant impacts to environmental and historical resources that may occur as a result of the entities’ proposed PROJECT. For more information refer to <http://ceres.ca.gov/ceqa/>.

**CEQA PENDING ADVANCE** – A preliminary ADVANCE paid through a CEQA PENDING CONTRACT for the estimated costs of CEQA compliance.

**CEQA PENDING CONTRACT** – an agreement between the DPR and the GRANTEE specifying performance of CEQA compliance within twelve months from the date of the GRANT award. The CEQA PENDING CONTRACT is limited to the GRANTEE’S estimated costs for CEQA compliance, and cannot exceed ten percent of the GRANT AMOUNT.

**CONSTRUCTION COSTS** – costs incurred when ground-breaking construction activities such as site preparation, grading, or gutting begins, and continuing to the end of the GRANT PERFORMANCE PERIOD.

**CONTRACT** – an agreement between the DPR and the GRANTEE specifying the performance of the GRANT SCOPE within the GRANT PERFORMANCE PERIOD, and other GRANT obligations between the GRANTEE and DPR.

**DEVELOPMENT** – the physical improvement of real property including the construction of facilities or structures.

**DPR** – the California Department of Parks and Recreation.

**ELIGIBLE COSTS** – expenses incurred during the GRANT PERFORMANCE PERIOD to complete the GRANT SCOPE approved by OGALS through an ENCUMBERED CONTRACT.

**ENCUMBERED** – When the CONTRACT is signed by the AUTHORIZED REPRESENTATIVE and DPR. At this point the funds are reserved by the state for the purpose of funding the PROJECT.

**FEATURE –**

- Statewide Park Program: A recreation feature as defined in the *Application Guide for the Statewide Park Development and Community Revitalization Act of 2008*.
- Nature Education Facilities Program: A FEATURE as defined in the *Application Guide for the Nature Education Facilities Program*.

**FORCE ACCOUNT LABOR** – use of the GRANTEE’S employees working on the GRANT SCOPE.

**GRANT** – funds made available to a GRANTEE for completion of the GRANT SCOPE during the GRANT PERFORMANCE PERIOD.

**GRANT COMPLETION PACKET** – The documents listed on page 41 that are required in order to request final GRANT payment following PROJECT COMPLETION.

**GRANTEE** – an entity having an ENCUMBERED CONTRACT with DPR.

**GRANT PERFORMANCE PERIOD** –period of time that ELIGIBLE COSTS may be incurred by the GRANTEE and charged to the GRANT, as specified in the ENCUMBERED CONTRACT.

**GRANT SCOPE** – The FEATURES and MAJOR SUPPORT AMENITIES listed in the GRANT SCOPE/Cost Estimate Form that must be completed prior to final GRANT payment.

**MAJOR SUPPORT AMENITY–**

1. A Parking lot, restroom building, and other non-recreational facilities located within a PROJECT site.
2. An improvement to the appearance of the general PROJECT site such as landscaping and public art additions, only when estimated to cost \$50,000 or more at the time of Application.

**MINOR SUPPORT AMENITY** – a permanent single purpose stand-alone item that is not a FEATURE, including but not limited to a sign, bench, and drinking fountain estimated to cost less than \$50,000 at the time of APPLICATION.

**OGALS** – DPR’S Office of Grants and Local Services.

**PRE-CONSTRUCTION COSTS** – costs incurred subject to the 25% cap on the GRANT during the planning, design, and permit phase of the PROJECT before construction can begin.

**PROJECT** – the FEATURES and MAJOR SUPPORT AMENITIES listed in the GRANT SCOPE/Cost Estimate Form.

**PROJECT COMPLETION** – when the FEATURES and MAJOR SUPPORT AMENITIES listed in the GRANT SCOPE /Cost Estimate Form are complete and the facilities are open and useable by the public. With approval by OGALS, project completion may occur before the facilities are open and useable by the public.

**PROJECT OFFICER** – an OGALS employee who acts as a GRANT administration contact for APPLICANTS and GRANTEES.

**REIMBURSEMENT** – GRANT payment made to the GRANTEE after the GRANTEE incurred costs by making a payment to a contractor or vendor.

**SCOPE CHANGE**

1. Adding FEATURES and MAJOR SUPPORT AMENITIES, or modifying a FEATURE to significantly increase its use or capacity
2. Removing FEATURES and MAJOR SUPPORT AMENITIES, or modifying a FEATURE to significantly decrease its use or capacity
3. Changing PROJECT site location

**TOTAL PROJECT COST** – the combined dollar amount of all funding sources used to complete the FEATURES and MAJOR SUPPORT AMENITIES listed in the GRANT SCOPE/Cost Estimate Form.